

VZCZCXYZ0015
PP RUEHWEB

DE RUEHDG #3359/01 2992035
ZNR UUUUU ZZH
P 262035Z OCT 06
FM AMEMBASSY SANTO DOMINGO
TO RUEHC/SECSTATE WASHDC PRIORITY 6514
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE PRIORITY
RUEHC/DEPT OF LABOR WASHDC PRIORITY

UNCLAS SANTO DOMINGO 003359

SIPDIS

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DEPT FOR WHA/CAR

E.O. 12958: N/A

TAGS: [ELAB](#) [DR](#) [PGOV](#) [SCUL](#) [SOCI](#)

SUBJECT: A DOMINICAN STRIKE THREATENS THE OLDEST UNIVERSITY
IN THE AMERICAS

¶1. SUMMARY: Employees of the Autonomous University of Santo Domingo (UASD), the largest university in the Dominican Republic, carried out a 48-hour strike this week in protest of a university-wide change in medical insurance providers. Workers resumed normal activity on Wednesday, but organizers threaten to recommence the strike and run it indefinitely as early as next week if their demands are not met. The university's rector has taken a hard line in opposing the organizers, accusing the employee unions of corruption and of misrepresenting their members. END SUMMARY.

¶2. Employees of the Autonomous University of Santo Domingo (UASD), the largest university in the Dominican Republic, carried out a 48-hour strike this week in protest of a university-wide change in medical insurance providers. Significant labor unrest is not new to UASD; a popular newspaper counts 17 employee strikes or work stoppages there in recent years. A previous strike over wage increases in March of this year paralyzed the university for 25 days during the academic year. An agreement allowing the resumption of classes was eventually brokered, and it has held over the six months since.

¶3. The 48-hour strike carried out on October 23-24 threatens to unravel that tenuous peace. The unrest results from the autonomous administration's decision to abandon the university-administered health care system in favor of a private policy. The previous plan provided unlimited coverage for lab expenses, hospital visits and even medication costs for employees and their families, but covered only 80 percent of these expenses for professors. Only 17 clinics were approved for employees under the plan, and all of these were located in Santo Domingo itself, leaving the thousands of UASD employees in other parts of the country without clinics that would accept their insurance policies.

¶4. According to Juan Urena, President of the Association of University Employees (ASODEMU), the university did not consult its employees over the change in providers, a failure that which Urena believes was a violation of Dominican labor law. His union has demanded a restoration of the old system, complaining that the new plan, contracted to Humano ARS, the largest private insurance provider in the country, was not assigned competitively.

¶5. Of Humano ARS's five corporate insurance plans, UASD chose the middle-of-the-road option in terms of quality and price. The plan covers 80 percent of expenses such as emergency room visits and lab expenses. It imposes on employees what ASODEMU says are unreasonable annual coverage limits (for example, USD \$70 for psychiatric consultations, USD \$150 for laboratory or x-ray expenses, and USD \$18 for

emergency medical expenses in non-affiliated clinics). However, a big advantage of the new plan over the old one is that employees now have 162 affiliated clinics - including many outside of Santo Domingo) from which to choose.

¶16. University rector Roberto Reyna told a different story to an Embassy political officer. He believes that most university employees and professors are pleased with the new policy despite its limitations because the previous one was so poorly managed that, in the end, most clinics had refused to accept it. The lack of coverage limits and controls under the old system bred corruption, he says, with clinics ordering unneeded tests and patients selling unneeded medicines on the gray market. Reyna says that the primary reason that unions are upset is because they took a substantial cut of those illicit earnings.

¶17. Reyna says that the current opposition originates from a hard-core group of a hundred or so leftists among the more than two thousand professors at the university. This group regularly decries perceived efforts to privatize the UASD and sees the change in insurance providers as a step along the road to doing so.

¶18. The 48-hour strike appears to have been successful. Although administration officials had asked faculty and employees not to heed the call to strike, enough chose to do so that more than 23,000 students were kept from attending class. It is difficult to reconcile this information with Reyna's assertion that strikers represent only a tiny minority of the university's staff.

¶19. The way forward is not clear. ASODEMU has called an assembly next Monday to discuss the issue; they threaten that unless progress is made in the meantime, their representatives could decide to resume strikes for an

indefinite period. For his part, Reyna is digging in, saying that he is disgusted with the unions and is prepared to allow the current dispute to trigger what he called "a final confrontation." He has planned a variety of public appearances throughout the end of the week and the weekend in an effort to generate support for his position.

¶10. The Dominican government and UASD's governing University Council are not likely to permit the resumption of protracted work stoppages again this year. The strikes in April seriously disrupted the university and generated a great deal of bad press. In the end the Labor Ministry intervened to "encourage" settlement of that dispute; few would rule out the possibility of another such intervention recurring this time around.

¶11. Allegations of corruption and mismanagement in labor unions have shaped public perception around the country. In a Gallup poll conducted earlier this year, labor unions came in second-to-last of 13 institutions measured in a survey of public confidence.

¶12. Drafted by Ted Bryan.

¶13. This report and extensive other material can be consulted on our SIPRNET site,
<http://www.state.sgov.gov/p/wha/santodomingo/>

BULLEN